

REGION VIII MENTAL HEALTH COMMUNITY
RESPONSE TASK FORCE

Financial Statements
For the Year Ended June 30, 2013

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and where appropriate at the office of the parish clerk of court.

Release Date OCT 30 2013



REGION VIII MENTAL HEALTH
COMMUNITY RESPONSE TASK FORCE
FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2013

INDEX

	<u>Page</u>
Independent Auditors' Report -----	1-2
Statement of Financial Position -----	3
Statement of Activities -----	4
Statement of Cash Flows -----	5
Notes to Financial Statements -----	6-8
Independent Auditors' Report on Internal Control Over Financial Reporting And on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i> -----	9-10
Schedule of Findings and Questioned Costs -----	11-12
Schedule of Prior Audit Findings-----	13

CAMERON, HINES & COMPANY

(A Professional Accounting Corporation)

Certified Public Accountants

104 Regency Place

West Monroe, Louisiana 71291

Mailing Address

P O Box 2474

West Monroe LA 71294-2474

Phone (318) 323-1717

Fax (318) 322-5121

INDEPENDENT AUDITORS' REPORT

Board of Directors of
Region VIII Mental Health
Community Response Task Force

Report on the Financial Statements

We have audited the accompanying financial statements of the Region VIII Mental Health Community Response Task Force, which comprise of the statement of financial position as of June 30, 2013, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall financial statement presentation.

Board of Directors of
Region VIII Mental Health
Community Response Task Force
Page 2

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Region VIII Mental Health Community Response Task Force, as of June 30, 2013, and the statement of activities and cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 15, 2013, on our consideration of the Region VIII Mental Health Community Response Task Force's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Region VIII Mental Health Community Response Task Force's internal control over financial reporting and compliance.

Cameron, Hines & Company (AAAC)

West Monroe, Louisiana
August 15, 2013

REGION VIII MENTAL HEALTH COMMUNITY RESPONSE TASK FORCE
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2013

ASSETS

Current Assets

Cash	\$ 6,673
Grants Receivable	11,662
Total Current Assets	<u>18,335</u>

<u>TOTAL ASSETS</u>	<u>\$ 18,335</u>
---------------------	------------------

LIABILITIES AND NET ASSETS

Liabilities	\$ -
-------------	------

Net Assets

Unrestricted	18,335
--------------	--------

<u>TOTAL LIABILITIES AND NET ASSETS</u>	<u>\$ 18,335</u>
---	------------------

The accompanying notes are an integral part of this financial statement

REGION VIII MENTAL HEALTH COMMUNITY RESPONSE TASK FORCE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2013

CHANGES IN UNRESTRICTED NET ASSETS:

Support and Revenue	
Grants	\$ 73,533
Expenses	
Program Services	
Operating Services	34,486
Operating Supplies	595
Professional Services	28,169
Travel Expense	490
Taxes & Licenses	75
Total Program Services	<u>63,816</u>
Development & Fundraising Expenses	5,000
Supporting Services	<u>3,160</u>
Total Expenses	<u>71,976</u>
<u>TOTAL INCREASE IN UNRESTRICTED NET ASSETS</u>	1,557
<u>NET ASSETS AT BEGINNING OF YEAR</u>	<u>16,778</u>
<u>NET ASSETS AT END OF YEAR</u>	<u>\$ 18,335</u>

The accompanying notes are an integral part of this financial statement

REGION VIII MENTAL HEALTH COMMUNITY RESPONSE TASK FORCE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2013

CASH FLOWS FROM OPERATING ACTIVITIES:

Increase in Net Assets	\$ 1,557
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Decrease in Grants Receivable	14,004
Decrease in Bank Overdraft	<u>(8,888)</u>
Net Cash Provided by Operating Activities	6,673

NET INCREASE IN CASH AND CASH EQUIVALENTS 6,673

CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR -

CASH AND CASH EQUIVALENTS AT END OF YEAR \$ 6,673

The accompanying notes are an integral part of this financial statement

REGION VIII MENTAL HEALTH COMMUNITY RESPONSE TASK FORCE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013

Note 1 - **Nature of Activities and Summary of Significant Accounting Policies**

Nature of Activities

Two tragic events during 2004 in Region VIII involved people with a mental illness (consumers). One event led to the death of the consumer. In the other event a consumer killed a law enforcement officer. These events increased public awareness of mental illness and led to the identification of deficiencies in the current system of caring for individuals with mental illness. After the first event, several groups of concerned citizens held meetings to discuss these deficiencies. This led to the formation of the Region VIII Mental Health Community Response Task Force (The Task Force).

The goal is to bring together all segments of the 12 Parish Region VIII community including public safety entities to assist individuals with mental illness (consumers). This assistance will be comprehensive and humane. The Task Force consists of law enforcement officers, consumers, family members, mental health care providers, judges, and advocates. The role of the Task Force is to serve as a catalyst to improve the quality of life for people with a mental illness in Region VIII.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Basis of Accounting

The financial statements of the Task Force have been prepared on the accrual basis and, accordingly, reflect all significant receivables and payables.

Basis of Presentation

FASB Accounting Standards Codification (ASC) section 958-205 *Not-for-Profit Entities, Presentation of Financial Statements* establishes standards for external financial reporting by not-for-profit organizations and requires that resources be classified for accounting and reporting purposes into three net asset categories according to externally (donor) imposed restrictions. ASC section 958-605 *Not-for-Profit Entities, Revenue Recognition* requires that unconditional promises to give (pledges) be recorded as receivables and revenues and requires the organization to distinguish between contributions received for each net asset category in accordance with donor-imposed restrictions.

Unrestricted Net Assets – Net assets that are not subject to donor-imposed stipulations.

REGION VIII MENTAL HEALTH COMMUNITY RESPONSE TASK FORCE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013

Nature of Activities and Summary of Significant Accounting Policies (Con't)

Note 1 - *Temporarily Restricted Net Assets* – Net assets subject to donor-imposed stipulations that may or will be met either by actions of The Task Force and/or passage of time. As of June 30, 2013, there were no temporarily restricted net assets

Permanently Restricted Net Assets – Net assets subject to donor-imposed stipulations that they be maintained permanently by the Task Force. Generally, the donors of these assets permit the Task Force to use all of, or part of, the income earned on the related investments for general or specific purposes. As of June 30, 2013, there were no permanently restricted net assets

Cash and Cash Equivalents

The Task Force considers all highly liquid investments with an original maturity of three months or less to be cash equivalents

Grants Receivable

Grants receivable represent amounts that have been expensed for grant purposes and are to be reimbursed in full by the grantor and have been promised over the next twelve months

Economic Dependency

The Task Force receives all of its support through federal government grant funding. The continued yearly renewal of these grants is vital to the continuation of the facility

Note 2 - Cash and Cash Equivalents

The Task Force maintains its cash balances in one local financial institution. The bank statement balance is \$9,925 as of June 30, 2013. *Custodial credit risk* for deposits is the risk that, in the event of the failure of the depository financial institution, the government will not be able to recover its deposits. As of June 30, 2013, these deposits were collateralized in full

Note 3 - Income Taxes

The Task Force is a nonprofit corporation exempted from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made; however, should the organization engage in activities unrelated to its exempt purpose, taxable income could result. The organization had no material unrelated business income for the year ended June 30, 2013. The earliest income tax year that is subject to examination is 2009.

REGION VIII MENTAL HEALTH COMMUNITY RESPONSE TASK FORCE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013

Note 4 – Related Party Transactions

During 2013, the Task Force paid \$5,000 to support a not-for-profit bingo gaming entity. The bingo gaming entity was created to raise fund for and draw interest in the Task Force.

Note 5 - Subsequent Events

Subsequent events have been evaluated through August 15, 2013, the date that the financial statements were available to be issued. All subsequent events determined to be relevant and material to the financial statements have been appropriately recorded or disclosed

CAMERON, HINES & COMPANY

(A Professional Accounting Corporation)

Certified Public Accountants

104 Regency Place

West Monroe, Louisiana 71291

Mailing Address

P O Box 2474

West Monroe LA 71294-2474

Phone (318) 323-1717

Fax (318) 322-5121

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Directors of
Region VIII Mental Health
Community Response Task Force

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Region VIII Mental Health Community Response Task Force as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise Region VIII Mental Health Community Response Task Force's basic financial statements, and have issued our report thereon dated August 15, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Region VIII Mental Health Community Response Task Force's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Region VIII Mental Health Community Response Task Force's internal control. Accordingly, we do not express an opinion on the effectiveness of Region VIII Mental Health Community Response Task Force's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the organization's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or, significant deficiencies. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Region VIII Mental Health Community Response Task Force's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audits, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under the *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Region VIII Mental Health Community Response Task Force's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Region VIII Mental Health Community Response Task Force's internal control and compliance. Accordingly, the communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Cameron Hines & Company (APAC)

West Monroe, Louisiana
August 15, 2013

REGION VIII MENTAL HEALTH
COMMUNITY RESPONSE TASK FORCE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2013

We have audited the component unit financial statements of Region VIII Mental Health Community Response Task Force as of and for the year ended June 30, 2013, and have issued our report thereon dated August 15, 2013. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of June 30, 2013, resulted in an unqualified opinion.

Section I- Summary of Auditors' Results

A Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weakness ☐ yes ☒ no

Significant Deficiencies not considered to be
Material Weaknesses ☐ yes ☒ no

Compliance

Compliance Material to Financial Statements ☐ yes ☒ no

B Federal Awards (None)

Material Weakness Identified ☐ yes ☒ no

Significant Deficiencies not considered to be
Material Weaknesses ☐ yes ☒ no

Type of Opinion on Compliance For Major Programs (No Major Programs)

Unmodified ☐ Modified ☐

Disclaimer ☐ Adverse ☐

Are their findings required to be reported in accordance with Circular A-133,
Section 510 (a)? N/A

C Identification of Major Programs N/A

Name of Federal Program (or cluster)

CFDA Number(s)

Dollar threshold used to distinguish between Type A and Type B Programs N/A

Is the auditee a "low-risk" auditee, as defined by OMB Circular A-133? N/A

REGION VIII MENTAL HEALTH
COMMUNITY RESPONSE TASK FORCE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2013

Section II- Financial Statement Findings- N/A

Section III- Federal Award Findings and Question Costs- N/A

REGION VIII MENTAL HEALTH
COMMUNITY RESPONSE TASK FORCE
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2013

Internal Control and Compliance Material to the Financial Statements

No Findings in prior year

Internal Control and Compliance Material to Federal Awards

No findings in prior year

Management Letter

No management letter was issued.